



7/29/2004

IMPLEMENTATION OF AMENDMENT TO VDH BUDGET: PURCHASE OF MEDICATIONS FOR THE TREATMENT OF UNINSURED/UNDERINSURED PATIENTS WITH TUBERCULOSIS

VDH/DTC PROCEDURE FOR REIMBURSEMENT OF LOCAL HEALTH DEPARTMENTS

Background:

During the 2004 session, the General Assembly appropriated \$50,000 each year of the biennium to assist patients diagnosed with active tuberculosis (TB) with the purchase of the medications required to treat their TB.

These funds are intended to assist patients who do not have insurance and/or do not have sufficient income or other financial resources to cover the costs of TB medications. These funds may be used to cover the costs of co-payments for medications purchased at retail pharmacies or the patient share of costs for TB medications obtained through the local health department (LHD). These funds cannot be used to cover the LHD share of costs for medications.

Patients must be culture confirmed TB cases or must meet the CDC definition of a clinical TB case. Treatment must be consistent with CDC/ATS treatment guidelines. In most instances, those individuals eligible for the program will be undergoing treatment with first line TB medications, supplemented or modified if necessary to manage drug side effects or single-drug resistance.

The program will be administered by DTC. LHDs will submit to DTC requests for reimbursement for approved expenses for eligible patients using the procedure outlined below. DTC will not work directly with either patients or retail pharmacies.

Funds are available for use as of 07/01/2004. Patients currently on treatment can be considered for coverage from 07/01/2004 onward, but costs incurred before 07/01/2004 are not eligible for reimbursement under this program.

Reimbursement Procedure:

The LHD confirms the TB diagnosis by obtaining a laboratory report confirming isolation of *Mycobacterium tuberculosis*, or determines that the case meets CDC definition of a clinical case.

The LHD completes the VDH financial eligibility process and the public health nurse (PHN) case manager assigned to the patient makes a preliminary determination that the patient may be eligible for the program. (See Determination of Eligibility Flowsheet.) If insurance co-payments are involved, the PHN case manager determines the co-payment requirement and amount for each TB drug.

The PHN case manager contacts DTC to request approval for participation of a patient in the program, and faxes for DTC review:

- 1) Patient history and demographic information;
- 2) Results of diagnostic evaluation (x-ray reports, AFB smears, culture results, antimicrobial sensitivities, other relevant laboratory results);
- 3) Treatment plan (provider, medications including dose and proposed duration, plan for follow-up); and,
- 4) Results of VDH financial eligibility determination, and information on insurance and co-payment requirements, if applicable.

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Items 1-3 can be summarized on the VDH/DTC Tuberculosis Patient Information Sheet: Secondary Report Form (2001A-TB-002), the TB Treatment Discharge Plan (2002A-TB-004), or the Tuberculosis Case/Suspect Review Form (02-TB513). Copies of culture and antimicrobial sensitivity reports should be submitted along with the selected form.

The requirement for item 4 may be met by submitting a printout of the Webvision financial means summary statement, a copy of the Determination of Eligibility Flowsheet with the category best describing the patient's situation circled, and insurance co-payment information, if applicable.

The Determination of Eligibility Flowsheet, TB-002, TB-004 and TB513 Forms and additional instructions may be found on the DTC website.

The DTC Medical Director or designee reviews the information submitted for items 1-4 (above). DTC will call the PHN case manager if additional information is required.

DTC determines whether the patient is eligible for the medication reimbursement program and notifies the LHD within two business days. If the patient is eligible, DTC determines whether the LHD will be reimbursed for the patient's share of the cost of medications obtained through the LHD/state pharmacy, or, if the patient has insurance with co-payment requirements for medications, for co-payments for medications obtained through retail pharmacies. The less expensive option (i.e., cost of state pharmacy purchase or co-payment) for each medication will be selected.

Directly observed therapy (DOT) is provided by the LHD (or under LHD supervision). DOT is required for all patients who participate in the program.

On a monthly basis, the LHD requests reimbursement (using the ATV mechanism) from DTC for the patient share of the costs of medications or co-payments (whichever is less) for each eligible patient.

DTC will use the ATV mechanism to reimburse the LHD, which will then pay the state pharmacy or retail pharmacy (for co-payments).

Over or Under Use of Funds:

DTC will track utilization of funds, prepare required summary reports and provide periodic updates to VDH management and LHD.

Funds will be dispersed under this program as long as funds are available. LHDs are encouraged to request reimbursement from DTC monthly for patients in the program. When FY05 funds are exhausted, LHDs will be notified and the program will be suspended until 07/01/05.